[Translation]

MR. CHAIRMAN : He is replying to that.

[English]

SHRI R.L. JALAPPA : I am sorry to say that I have not seen this petition. It was not brought to my notice. I will get that report within three or four days, and I will write to you as to what action has been taken by the Government.

SHRI SONTOSH MOHAN DEV : Sir, yesterday, the Prime Minister said in the Rajya Sahba that the officers were not lilstening to him. This is the position. The Minister is simply saying that he does not know anything about these reports. How is this Government running ?

[Translation]

SHRIMATI SUSHMA SWARAJ : Mr. Chairman, Sir, this Government have been function is a very peculiar way. He has no knowledge of the Supreme Court judgement. The report of the Rajya Sabha committee is based on this point. How the recommendations of the committee can be implemented when the hon. Minister has no knowledge of it. How this Government is functioning. Almost one has elapsed since the report was submitted.

MR. CHAIRMAN : Please give one more copy to him.

SHRIMATI SUSHMA SWARAJ : Mr. Chairman, Sir, you are taking it so lightly. The report of the whole House was laid as the Table of the House. Copy was sent to the department. As has been said by Shri George Fernandes, the report comprised information which included directives to State Governments to manufacture handloom clothes. Had the recommendations been implemented the lot of the handloom weavers would have been improved . . .*(Interruptions)* The hon. Minister syas that he has no knowledge of it and he has not seen it. . .*(Interruptions)* Please take it seriously. You are saying that I should send one more copy. . .*(Interruptions)* This is not a matter between him and me. This Is a matter between the entire House and the Government. . .*(Interruptions)* What is the style of functioning of this Government ?

[English]

SHRI R.L. JALAPPA : Sir, this Committee was appointed by the previous Government. This report was given to the previous Government. So, I do not know about it. I have no idea about the said report.

MR. CHAIRMAN : Mr. Minister, when a Parliamentary Committee submits Its report, action has to be taken by the Government on the recommendations.

SHRIMATI SUSHMA SWARAJ : Sir, please tell the Minister that Government is a continuous institution.

SHRI R.L. JALAPPA : I am telling you that I have not seen that report. I have told you, Madam, that I will get that report within a week and I will look into that report. I will come back to you and tell you what are all the actions that have been taken and what are all the actions that are yet to be taken. I am not a computer and I cannot remember all these things. I do not know about it. It was given to the previous Government.

[Translation]

SHRIMATI SUSHMA SWARAJ : Mr. Chairman, Sir, what should I expect from the Government ? Are the recommendations being implemented ? . . .*(Interruptions)* We thought that by this time he must have convened a meeting of the concerned officer and implemented the recommendations, but hon. Minister says that he has not even read the report. . .*(Interruptions)* You are not giving me protection. . .*(Interruptions)*

SHRIMATI BHAVANABEN DEVRAJ BHAI CHIKHALIA : Mr. Chairman, Sir, this is not the way of functioning. . . *(Interruptions)*

VAIDYA DAU DAYAL JOSHI : Mr. Chairman, the Kota Saree is famous all over India. . .*(Interruptions)* All their weavers of dying of starvation. . .*(Interruptions)*

Simplification of Export Process.

+

*382. SHRI CHANDRABHUSHAN SINGH :
Lt. GENERAL (Retd.) PRAKASH MANI TRIPATHI :

Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have asked the Federation of Indian Export Organisations to make a study to suggest streamlining and simplification of policy and procedure in respect of exports;

(b) if so, the details thereof;

(c) whether the Government have received the recommendations from the FIEO; and

(d) if so, the details thereof and the action taken by the Government thereon ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (d) A statement is laid on the Table of the House.

Statement

As part of Govt. Policy to continuously interact with Trade and Industry through Export Promotion Councils and

Organisations like FIEO, FICCI, CII ASSOCHAM, the streamlining and simplification of Policy and Procedures are discussed in various fora like Board of Trade, Core Group, Open Houses and seminars and amendments are made from time to time to make the export promotion schemes more transparent and useful to the exporting community. In the context of the formulation of the new Export and Import Policy which will come into effect from April, 1997, suggestions for further simplification of Policy & Procedures have been received from various sources including FIEO, which have all been examined and those found acceptable will be reflected in the new Exim Policy 1997-2002.

[Translation]

SHRI CHANDRABHUSHAN SINGH : Mr. Chairman, Sir, the small scale exporters export 30-40 percent of the total exports of the country, when the I.T.P.O. arranges any exhibition abroad, the small scale exporters are not given any facility in it so that they could display their goods and receive orders. All this require heavy expenditure. Alongwith it the big exporters dominate over the small exporters due to which the latter cannot display their goods in such exhibitions. As a result of that they do not receive total orders.

Through you, I would like to know from the Government whether such facilities which would help the small exporters display their goods and receive orders could be provided to them under the exim policy.

[English]

SHRI BOLLA BULLI RAMAIAH : Mr. Chairman, Sir, under the ITPO, we are continuously organising a number of exhibitions in different countries of the world. But the hon. Member wants that the small-scale sector should also be given preference in these exhibitions. We will definitely give some support to them. It is they who have to choose the interest of the country in which they are showing the exhibition. I will definitely ask the ITPO to pay special attention to exhibition their products and to see that their markets are improved in those countries.

[Translation]

SHRI CHANDRABHUSHAN SINGH : I would like to tell the hon. Minister that small scale sector manufacture small items. Are there any plans under the consideration of the Government under which they could organise training camps at the centre or in the States so that the small exporters could export their goods direct ?

[English]

SHRI BOLLA BULLI RAMAIAH : The hon. Member's suggestion is very good. But the training programmes are organised by State Governments under the small-sc sector organisations in various States. We can also giv any support from the Commerce Ministry to whatever th are going to organise. That will enable them to do i

Coming to Exim Policy, we are getting a number representations on various issues. We are consolidat and examining those issues and we will come over by end of this month.

[Translation]

PROF. OM PAL SINGH 'NIDAR' : Mr. Chairman, export is also a central subject.

SHRI AMAR PAL SINGH : The hon. Member wan to know as to the steps being taken by the Cen Government to import training to them.

[English]

MR. CHAIRMAN : What are you doing in regard training programme ?

SHRI BOLLA BULLI RAMAIAH : The Central Gove ment under the Commerce Ministry do not have a training programme. But we are only supporting St Government programmes on which they are talking act and we are also giving our support to them.

[Translation]

Lt. GENERAL (Retd.) PRAKASH MANI TRIPATHI : Chairman, Sir, export is not rising on the expected lin There has been a fall particularly, in the export conventional items like tea, diamond jewellery, steel a iron, readymade garments, leather and leather made goo and carpet. The FIO submitted its suggestions to Government in January 1997. The role played by the sm scale sector in increasing is commendable. The small sc sector makes 30-40 of the total export. But payment loan to them takes time. The rate of interest is particula when they make exports to foreign countries. The gene interest charged from them is a burden for them. Of cou the Government have provided them a number of facilit for making exports. It is also a fact that export is increasing as it ought to be rather there are indicatio that the percentage of exports is declining. I want to kn whether there are any proposals to give them some re in the rate of interest ?

[English]

SHRI BOLLA BULLI RAMAIAH : The suggestion is v under taken and as per his other suggestions about exports of small-scale sector, we are nearly getting m than 30 per cent of our exports from the small-scale sect We always value very highly the small-scale sector expo and we give a lot of recognition to them.

Coming to the question of interest rate, recently the Reserve Bank has also given some reduction in the interest rates and also extended it for longer periods. But the Export Promotion Council has asked us for 90 days at 13 per cent. After that, they should not be taxed at higher rates. The Reserve Bank has approved for 90 days at 13 per cent and also they have given another 90 days at 15 per cent and after 180 days, at bank rate. This has gone out of the way to see that they should be given more support for export purposes. I think they are still examining the possibility to reduce further the interest rate for export in small-scale sector also.

SHRI A.C. JOS : One of our traditional export items is tea. The tea industry in Kerala is in peril and especially many of the tea estates in munnar and Perumedu of Idukki district are on the verge of closure. Many of the estates have not paid wages to their workers. The reason is that our conventional exports were to erstwhile Soviet Union and to the Gulf.

Because of the break down of the Soviet Union and the disappearance of communism, that market has vanished. . . .*(Interruptions)*

SHRI T. GOVINDAN : Communism is still there. . . *(Interruptions)*

SHRI A.C. JOS : I am addressing the Chair. Coming to my point, as an aftermath of the Gulf war, the export market in respect of the Gulf area has also totally vanished. Adding fuel to the fire, Sri Lanka has come forward with a scheme of one year credit to the European market for tea. My question is whether there is any scheme with the Tea Board to give an impetus and to improve exports of tea, especially the South Indian tea. I would also like to know whether the Minister will consider giving some tax concessions to the tea exporters. Of cource, he has mentioned about some banks-facilities, some concessions given to entire exporters. But tea needs a special treatment at the hands of the hon. Minister. Therefore, my question is whether the Government would consider giving some tax and bank credit concessions to the tea exporters. . . *(Interruptions)*

SHRI T. GOVINDAN : Sir, Shri Jos and his friends were very very jubilant over the fall of the Soviet Union. But I would like to say that communism is still there. . . *(Interruptions)*

SHRI A.C. JOS : No, not at all, I am very sorry about it.

SHRI BOLLA BULLI RAMAIAH : The hon. Member has very clearly given the reason why tea exports have been affected. In fact, shortly, we are visiting Russia to have some discussions with them to see how far we can improve our trade with Russia also. But in addition to that, what we are planning now is to encourage some of the packing industry, the tea packing industry in India so that they will be able to export more packed tea also whereby they can export value-added products. We are now evaluating different markets. As the hon. Member must have realised, the tea prices have improved because of our efforts. We are making efforts with other countries. We have started taking efforts with various South American countries also. I am sure that very soon we will be able to capture the other markets also.

[Translation]

Loans to unemployed youths

*393. DR. AMRIT LAL BHARTI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have taken any decision to simplify the procedure for providing loans to the educated and trained unemployed youths to set up small scale industries; and

(b) if so, the details thereof and the concrete steps taken by the Government for the development of small scale industries ?

[English]

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) A Statement is laid on the Table of the Hosue.

Statement

(a) and (b) Banks provide loan to educated and trained unemployed youth under various schemes such as Prime Minister's Rozgar Yojana (PMRY). The procedure to sanction loan under PMRY includes receipt of applications from eligible persons by District Industries Centre (DICs), scrutiny by task force and sponsoring to the concerned bank. A managerial training is then provided depending on the trade selected by the beneficiary. Banks have been advised by Reserve Bank of India (RBI) to dispose of such loan applications within a specified time.

Reserve Bank of India (RBI) has reported that based on the recommendations of the Nayak Committee, it has simplified the procedure for providing credit to Small Scale Industries (SSI). All commercial banks have been instructed by RBI to sanction working capital limits of less than Rs. one crore to SSI Units on the basis of 20% of their projected annual turnover. There is a simple application form for borrowers up to Rs. 2 lakhs, which constitute nearly 90% of all SSI borrowers. Banks have also been advised by RBI that all loan applications up to credit limit of Rs. 25,000/- should be disposed of within a fortnight and those over Rs. 25,000/- within 8 to 9 weeks.